

Ukrainian «Premieriada», round one. Will there be more?

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The selection of the Prime Minister, a grand political action bitterly referred to as «the Premieriada», resembles an athletic competition, with candidates and their supporters fighting against political rivals.

The initial «selection round» produced a number of strong political players, including chairman of the Ukrainian Union of Industrialists and Entrepreneurs Anatoly Kinakh, MP; leader of the Trudova Ukraina and former Minister of Economy in the Yushchenko government Serhiy Tihipko, MP; chairman of the State Taxation Administration Mykola Azarov and even former Prime Minister, leader of the People's Democratic Party Valery Pustovoitenko. Oleksandr Volkov's Democratic Union even nominated First Vice Speaker and leader of the Social Democratic Party (United) Victor Medvedchuk to run for the position, but he declined the proposal. Communists had their own ideas about who should fill the vacancy: they nominated former Speaker of the parliament Oleksandr Tkachenko and Stanislav Hurenko, MP. Weeks of tense consultations and bargaining produced no desired result - the single candidate acceptable for all factions was not named. To resolve the dilemma, President Kuchma made the next step and announced, on May 18, that key candidates for the position, produced by the consultations, were Anatoly Kinakh and Serhiy Tihipko. On May 22 he clearly stated that «the candidacy for the position of the Prime Minister of Ukraine has practically been introduced» to the parliament, and that the candidate was Anatoly Kinakh.

Chairman of the Union of Industrialists and Entrepreneurs Anatoly Kinakh, MP, is an experienced politician and apparatchik who has spent many years both in the executive branch and the legislature and is generally seen as pro-market. Member of the 1st Parliament (1990-1994), he was elected to the 3rd Parliament in 1998 at the Mykolayiv region, having defeated 20 competitors and received 31.65% of the votes. He was also included to the election list of the People's Democratic Party as Number 5. Before that, in 1992-4 he was official representative of President Kravchuk in the Mykolayiv region, and served as chairman of the Mykolayiv Regional Council of People's Deputies in 1994-5. In 1995 he was rapidly promoted to the position of Vice Prime Minister for industrial policy in the government of Yevhen Marchuk, but was dismissed a few months after the dismissal of Marchuk in 1996. Appointed as President Kuchma's advisor immediately afterwards, he also «inherited» the position of the chairman of the Union of Industrialists and Entrepreneurs (which Kuchma himself occupied at some point between his premiership and presidency). In August-November 1999, Kinakh served as First Vice Prime Minister in the Pustovoitenko government. In 1996 he was considered as a potential candidate to occupy the position of the Prime Minister of Ukraine, but then the job went to Pavlo Lazarenko, whose relations with Kinakh could mildly be described as complex. Later on, Kinakh said: «With the government chaired by P. Lazarenko, at the level of ministries and departments we had rather normal, business-like relations, established on the professional basis... Unfortunately, there was a very serious negative factor in that government. The relations with the people who worked in that government were shaped primarily by two criteria: personal loyalty and ability to line up and salute when needed (quoted after the UCIPR book «Ukrainian Business Elite. Part 1: the Parliament», UCIPR, 2000). In July 1997 Kinakh praised Leonid Kuchma's decision to appoint Valery Pustovoitenko as the head of the executive branch: «We view positively the appointment of Pustovoitenko and hope that the formation of the government will take into account professional qualities and state value of such appointments». He immediately received the recognition of his offer of friendship from Pustovoitenko: «I am concerned about staff appointments in the government, and here we will take into account the positions of the USPP» [i.e., the Ukrainian Union of Industrialists and Entrepreneurs]. However, in January 1999 Kinakh made very negative comments about the performance of the executive branch and criticized the government for «villain intrusion into economic activity». Later on, he even urged President Kuchma to take the lead of the executive branch himself. His other proposals included extending the president's right to issue decrees on economic issues that were not regulated by the law beyond the term specified by the Transitional Provisions of the Constitution - which in practice meant an attempt to amend the Constitution.

Kinakh specified strategy and tactics of the USPP as follows: «We are not going to be an instrument

for some power structure in order to achieve a certain goal. We follow the principle: nowadays the most convenient position is to withdraw to a safe distance from the executive vertical power structure, from the President, and to criticize them mercilessly. Our position is as follows: we have to work at a rather close distance from the power establishment so that, on the one hand, toughly, professionally analyze results of [their] work, pointing to problems and mistakes that need to be addressed even if the power structures are not happy about that, and, on the other hand, not limit ourselves to criticism but to develop professional systemic approaches and proposals, interact with the Verkhovna Rada, the Administration of the President.» Apparently, Anatoly Kinakh is about to get a chance to practice his «systemic approaches».

Generally speaking, the current political tournament is about the players' ability to show skills of maneuvering between the President-parliament axis, and the ability to agree with the whole variety of forces and personalities that often have conflicting interests. The political art of negotiating includes the skills of making concessions without losing one's face, of convincing others, finding serious allies and avoiding confrontation with strong rivals. The complex task of the current «Premieriada» is made even more complex by the forthcoming start of the parliamentary election campaign. The March 2002 election, as always, will have a critical impact on this state. Therefore, all of the political stakeholders seek to promote their own interests by coming as close as possible to administrative, financial and other resources needed to ensure electoral success. The premiership candidate's ability to meet all of the above requirements will determine the outcome of the current bargaining for the parliament's approval of the nominee.

Meanwhile, being a Prime Minister in the pre-election period is a double-edged sword. As President Kuchma's Permanent Representative in the parliament Roman Bezsmertnyi put it, «there will be very few of those who are willing to carry the burden of the executive power for nine months before the parliamentary election, for from the perspective of election logic and political market this is very exhausting» (Uriadovyi Kurrier, May 24, 2001).

There is yet another dilemma caused by the «Premieriada»: no politician, even the most capable one, may alone do what is supposed to be done by a team. The last months of the Yushchenko government demonstrated how true the claim is. In this sense, the current bargaining over who will become the Prime Minister is directly linked to prospects for forming a coalition government in Ukraine. So far, Anatoly Kinakh has argued that all of the parties to the negotiations should be involved in the formation of the government, because «forming a team is a general, systemic and common task that should involve the premiership candidate and the Verkhovna Rada in general with the involvement of the President within his constitutional powers,» Kinakh diplomatically said (Interfax-Ukraine, May 24, 2001). He also argued that success of «balancing the factions' interests, primarily with respect to staff issues» would determine the future cooperation between the Ukrainian parliament and the Cabinet. Hence, given the possibility of establishing a coalition, the staff question will remain pivotal for the consultations. According to the premiership hopeful, the «staff questions» will be discussed «in complex», taking into account all proposals from the factions. He also formulated key requirements to ministerial candidates: «professional, moral and statehood qualities», and described the further process of selection of the government staff as follows: «where it will meet the factions' proposals, [I] believe it will be possible to find an optimal solution.» However, it is still unclear when the agreements are supposed to be made - before or after the Prime Minister is appointed and approved - and whether prospects for the approval depend on the candidate's commitment to give certain positions in the government to interested influential factions.

So far no specific names have been named. According to Kinakh, his consultations with factions and groups «run in a constructive manner and no ultimatums on staff issues have been made» (UNIAN, May 24, 2001) and he did not approach factions with any offers. Following the meeting of the Trudova Ukraina faction with Kinakh, his competitor for the premiership Serhiy Tihipko refuted speculations that he could be offered the position of a Vice Prime Minister in the new government and announced he decided not to take part in the new government but focus on the forthcoming parliamentary election instead. He also confirmed that Kinakh had made no offers to the faction during the meeting. Kinakh, in his turn, stated publicly he had no right to make such offers «from the moral and business ethics point of view» (UNIAN, May 24, 2001), and, therefore, he could only speak about complex team tasks and try to balance the interests of all factions with respect of staffing the government. Only after the balance is achieved one may speak about specific personalities to be appointed to positions in the government, Kinakh argued. The scenario suggests that Kinakh simply is not authorized to discuss

specific nominations with the factions - which itself causes doubts about validity of claims about a united team of professionals supposed to be formed through the consultations, as well as about the would-be Prime Minister's ability to be an independent figure in the Ukrainian political chess-board.

Some of the strongest political stakeholders believe that it is premature to make their offers. According to Volkov, whose Democratic Union is strongly supportive of Kinakh, the faction did not make any proposals or request to the would-be Prime Minister for «it is not time yet for that» as «discussing requests and proposals may be possible only after Anatoly Kinakh meets the CPU faction [i.e., the Communists] and after the meeting with the President.»

Meanwhile, the 112-strong Communist faction has kept the noteworthy silence, adding to the political intrigue. According to the Communist leadership, the faction members will make up their minds on the eve of the voting date, scheduled for May 29. It is hard to predict what their decision will be. Probably, the Communists will choose not to vote for Kinakh. «The only meeting point of interests of the oligarchs and the president is a temporary government, personalities of which will be appointed by the presidential orders,» the party's official publication, the Kommunist (#21, May 2001) wrote. It is in the Communists' interests to have not as much «temporary» government, but a government that is not approved by the parliament and led by the acting premier. That would allow Communists to save face and to continue condemning «squabbling oligarchs» and «the president who has the whole power to himself», which is an integral part of any Communist campaign message.

It is also unclear how the former parliamentary majority will vote. On the one hand, the right-wingers claim they will not support Kinakh. On May 24 leader of the People's Rukh of Ukraine Hennady Udovenko publicly claimed he excluded the possibility for his faction to support Kinakh even if asked by Victor Yushchenko. He added that the issue of forming the new government had been addressed by the Political Council of the Rukh a few days before, and the decision was made for the faction to refrain from supporting any candidate other than Yushchenko. A similar view was expressed by the Reforms and Order. Yuri Kostenko's Rukh faction was more cautious. «In order to approve Kinakh in the position of the Prime Minister the votes of the part of the majority that dismissed Yushchenko will suffice; therefore, it makes no sense to ask the right-wing parties for support» (UNIAN, May 24, 2001), Kostenko said, but added that the faction was prepared to «consider the issue».

Some time ago Oleksandr Volkov announced that the nomination of Kinakh was supported by 210 MPs. In order to be approved by the parliament, Kinakh has to receive 226 votes. So far, almost all of the factions have refused to announce their final decision to vote for Kinakh or against him. Some make their support conditional on the staff issue. For instance, the Greens announced they would «vote only after the candidate announces his proposals with respect to personalities to make the Cabinet of Ministers» (UNIAN, May 26, 2001). Like other factions, the Greens have their own aspirations for the top executive seats.

Hence, using Oleksandr Volkov's phrase «having a receipt does not yet mean having the boots», one may conclude that the current political consultations do not necessarily guarantee that Anatoly Kinakh will be approved in the Position of the Prime Minister by the Ukrainian parliament. Which, in fact, does not matter much. On May 24 he announced he was prepared to take the job as Acting Prime Minister if the parliament failed to approve his nomination. Noteworthy, years ago Kinakh made rather negative comments about a Ukrainian government run by Acting Prime Minister Yefim Zvyahilsky, claiming that the government was «arranging its own employment». Such «self-employment», should Kinakh become an Acting Prime Minister, will automatically produce a general negative trend that will be immediately reflected by the whole complex of unresolved issues of establishing effective relations between the parliament, the government and the President. On May 22, nominating Kinakh as the choice to fill the position of the head of the government, President Kuchma refused to make predictions about his chances to be approved by the parliament but warned that the process would «show who is who». Apparently, that means that a number of forces in the parliament will have to drop their claims and, therefore, see their positions weaken. If Kinakh becomes the acting head of the executive branch, his limited powers will leave no hope for prompt and effective resolution of the current crisis of relations between the parliament and the government. The negative consequences for Ukraine's ailing economy are easy to predict: further deterioration of the investment climate, complicated relations with international financial institutions and growing irritation with Ukraine in the West.

Dismissing Kinakh from the position of the Vice Prime Minister and appointing him as his adviser in

1996, Leonid Kuchma described him as «a man of prospects» (Zerkalo Nedeli, September 28, 1996). Yet, the parliament voting alone may show his prospects for becoming a full-fledged Prime Minister of Ukraine.